

Connally Attracts Money, Politics

By Jack Anderson

Debonair, dynamic John Connally has always had an affinity for money and politics. He hasn't always drawn a clear line between the two.

While he was Secretary of the Treasury, his former law partners filed applications for three national bank charters. All three were approved, more than any other Texas law firm was able to wangle. At least four other bank charters were granted to his political associates.

Connally is now back with his law firm, raking in the green. One of his law partners has boasted around Washington that so many corporations are clamoring to get Connally on their boards that he has set a minimum \$50,000 fee for the privilege of listing him as a director.

We couldn't reach Connally to ask how much he charges, but a spokesman for his firm denied that the former Treasury Secretary collects a flat fee. He serves on many boards, the spokesman acknowledged, but any fee would be part of the retainer paid to the firm.

"Connally has gotten us new business," admitted the spokesman. But he insisted it wasn't Connally's political influence that attracted clients. "In the business world today

on the highest levels," said the spokesman, "there is a lot of just plain horse trading, putting together mergers, oil consortiums. Connally is a good lawyer, persuasive, immensely knowledgeable, a good horse trader. He brings to the negotiating table a good name and a lot of clout."

Using Connally

The spokesman also denied that Connally intervened while he was at the Treasury to help the firm wangle bank charters. "If we were going to use Connally in the role of Treasury Secretary," explained the spokesman, "there are better ways than bank charters. You can only go to the well and drink so many times."

It remains a fact, however, that the Connally firm—Vinson, Elkins, Searls and Smith—arranged charters for banks in Houston, Orange and Ray-

mondville, Texas. The Raymondville charter (for the purpose of forming a holding company) was approved in a record three days after the application was filed.

Connally's former press secretary, Mike Myers, also was granted a charter for the Love Field National Bank in Dallas. Connally and Myers were former partners in the Trini's Mexican restaurant chain and are still associated in a real estate development in Fort Worth.

The name of another close associate, Robert Strauss, now Democratic National Chairman, appeared on an application to charter the Town North National Bank in Dallas. An earlier application, filed in 1970 before Connally became Secretary, was disapproved. But after Strauss joined the applicants and Connally took charge of the Treasury, the charter was approved.

Two other Connally loyalists, Tom W. Miller, son of a former Austin mayor, and Horace Hall, a power in Laredo, were involved in successful applications for banks in

Roundrock and Laredo, Texas, respectively.

Connally's Wealth

"Big John," as Connally is often called by his associates, has come a long way since he first broke into Texas politics in the 1940s. He came out of rural Texas, with the taste of poverty still in his mouth. He made a name for himself as the late Lyndon Johnson's political protege.

This opened the backrooms of the Texas oil millionaires for him, and he caught the fancy of the late oil tycoon Sid Richardson. Oil and politics mixed well for Connally, who acquired the same smooth quality as the oil he promoted and quickly wound up as a millionaire himself.

Those privy to the smoke-filled backrooms say it was his oil credentials as much as his political credentials that got him appointed Secretary of the Navy under John Kennedy and later Secretary of the Treasury under Richard Nixon. The oil industry has a big stake in naval oil reserves and perhaps an even greater interest in favorable Treasury rulings.